

*Medicare Prescription Drug, Improvement, and Modernization Act of 2003*  
**THE NEW MEDICARE PRESCRIPTION DRUG BENEFIT: PHARMACY  
ACCESS / NETWORKS**  
*Section 1860D-4*

Medicare drug plans will organize networks of retail pharmacies to dispense prescriptions to Medicare beneficiaries in local areas throughout the country. In addition, plans will likely give beneficiaries the option of filling recurring prescriptions – such as maintenance drugs for high blood pressure or high cholesterol – via mail order, which can save seniors and the government significant amounts of money.

All prescription drug plans will be required to meet a strict pharmacy access standard in their service area to give beneficiaries convenient access to retail pharmacies. The standard ensures that, at a minimum, the pharmacy network is broad enough so that:

- 90 percent of urban enrollees live within 2 miles of a network pharmacy,
- 90 percent of suburban enrollees live within 5 miles, and
- 70 percent of rural beneficiaries live within 15 miles.

This is a minimum standard. Plans may provide even greater access within their network. Plans are expected to encourage beneficiaries to use a network pharmacy by giving them a discount on cost sharing.

There is also an option for beneficiaries to fill their prescriptions at any pharmacy, including non-network pharmacies. This “point of service” option lets beneficiaries go anywhere for their prescription drugs, though they may have to pay any extra costs associated with using a non-network pharmacy.